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[H.A.S.C. No. 96–50]

FULL COMMITTEE CONSIDERATION

OF

RECOMMENDATION TO BUDGET COMMITTEE ON RECONCILIATION IN CONCURRENCE WITH THE FIRST CONCURRENT RESOLUTION

AND

H.R. 7682, H.R. 7694 and H.R. 5856

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
NINETY-SIXTH CONGRESS
SECOND SESSION

JULY 1, 1980

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COMMITTEE ON ARMED SERVICES

NINETY-SIXTH CONGRESS, SECOND SESSION

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HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Tuesday, July 1, 1980.

The CHAIRMAN. In conjunction with the first concurrent resolution on the budget for fiscal year 1981, the Committee on Armed Services has been directed to report legislation that * * * "shall reduce spending for fiscal year 1981 in reported or enacted laws, bills and resolutions by $400 million in budget authority and outlays * * *"

The Committee on Armed Services is required to report to the Budget Committee by July 2. Other committees, as well, have been directed to report similar legislation.

The Budget Committee will then combine the recommendations of the individual committees without substantive change and report an omnibus bill to the House.

In effect, the Congress, by accepting the budget resolution, has directed this action to be accomplished. Should a committee decide not to follow this direction, there are several possible sanctions that could be brought to bear. For example, at the request of the Budget Committee, the Speaker could hold bills recommended by a committee at the desk even though they had passed the House and Senate until a report is submitted to the Budget Committee.

In addition, the Budget Committee may report a bill with a provision effecting the savings anyway, thus usurping committee jurisdiction, and the language may not be as desirable as the committee would prefer.

Finally, under the budget resolution for fiscal year 1981, our committee is provided $270 million in allocation authority that can be used to cover the cost of committee initiatives involving new entitlement authority. These moneys will not be available until the committee has met the reconciliation direction.

The budget resolution for fiscal year 1981 and the reconciliation direction assume that the current system of adjusting military retired pay twice a year, in March and September, would be changed to provide for an annual increase. A similar assumption was made with regard to the civil service retirement system. Such a change would result in the savings required to meet the reconciliation direction.

The Senate Armed Services Committee has included a provision in its version of the defense authorization bill that would accomplish the change for the military system.

It is pointed out that the social security system is adjusted only once a year and, more importantly, that the pay for active duty service members is adjusted only once a year and, in recent years, has not even kept pace with the cost of living.

It is my suggestion that the committee recommend to the Budget Committee an annual adjustment in military retired pay. This adjustment could be accomplished in September of each year based on the

change in the Consumer Price Index, CPI, in the preceding year ending in July.

Were this change to be adopted, the adjustment this September, approximately 7 percent, would be made. However, the adjustment next March would be deferred and combined with the increase in September 1981. Most of the discussion concerning the suggested change to the adjustment mechanism has centered around making the adjustment to retired pay in March and skipping the September increase. However, by adjusting retired pay in September, retirees would have the opportunity to adjust to this change. Most retirees have been counting on the September increase and this transition would retain an increase this coming September.

Unfortunately, changing to an annual increase in September would not reduce expenditures in fiscal year 1981 by an amount sufficient to meet the reconciliation direction. However, I believe that we should recommend such a change in that it will eventually result in the same long-range savings, while minimizing the near-term adverse impact on our retirees.

If the Budget Committee requires an adjustment on a March-to-March basis to attain the savings, then that should be our fallback position.

It is also recommended that implementation of this change be contingent upon a similar change to the civil service system.

I would note that we will be considering later this year improvements to the survivor benefit plan. Approximately 50 percent of our military retirees participate in this plan and will benefit from these changes. I remind you that without a report to the Budget Committee, any legislation in this area could be seriously jeopardized.

I might also note that the Senate Armed Services Committee has included a provision in the defense authorization bill to move to a high-three average for military retirees. I would hope that our committee, consistent with the approval of annualization of CPI increases, would oppose a change to 3 year averaging.

I do not know of any other feasible options to reduce outlays in fiscal year 1981 by $400 million as the House has directed. Cutting of authorized ships or planes would not qualify. It must be an entitlement program.

This committee has supported modifications to the compensation system to improve active-duty retention, as evidenced by our recent action on the doctor's pay bill, the Nunn-Warner amendment and the other provisions of the Fair Benefits Package. It would be totally inconsistent to try to reduce one of these active-duty pay and benefit programs by $400 million.

Deferring the semiannual increases in retired pay for 6 months seems to me to be an option that impacts least on the attainment of our overall national defense objectives. Even with that suggested changed, the military adjustment system is far more beneficial than the vast majority of plans in the private sector.

I recognize Mrs. Holt at this time.

Mrs. HOLT. Mr. Chairman.

The CHAIRMAN. Yes; Mrs. Holt.

Mrs. HOLT. I can't see why we can't take this out of some other program. I would like Mr. Emmerichs to explain to us why this has to

be an entitlement program. Isn't there some other place that we could find this $400 million without having to go this route? The Budget Committee cannot specify where the money has to come from.

The CHAIRMAN. The staff has researched it pretty religiously. I'll let them reply.

Mrs. HOLT. Thank you.

Mr. EMMERICHS. The direction is to reduce the spending authority within the committee's jurisdiction by the $400 million. Really, the only spending authority that the committee has jurisdiction over is the pay and entitlements of active duty personnel and the retired pay of military personnel. The Appropriations Committee creates the spending authority for hardware, R. & D. and so forth. As far as spending authority, this committee's only jurisdiction really resides with the entitlements.

Mrs. HOLT. Could we take it out of the welfare workers, Mr. Chairman.

The CHAIRMAN. Mr. Ford.

Mr. FORD. That is not within this committee's jurisdiction.

Mrs. HOLT. Thank you.

Mr. STRATTON. Will you yield?

Mrs. HOLT. Yes.

The CHAIRMAN. Mr. Stratton.

Mr. STRATTON. I support your recommendation. I think it is a very wise one. There is a lot of flak on this particular recommendation. I speak as a retiree. I don't think anybody is going to be really devastated by the fact that you get your cost-of-living increase once a year instead of getting it twice a year.

You point out, Mr. Chairman, and I think that your suggestion is a very good one, that we would not let this go into effect until next March rather than this September. That, certainly, takes into account what Mrs. Holt is worried about with respect to our retirees.

You indicate that if we recommend that this change go into effect in March that we won't cut quite as much as we are required to cut.

I notice, Mr. Chairman, in your statement, you say that we have been directed to cut $400 million in budget authority and outlays. Does that mean that we have to cut both of those columns by $400 million?

The CHAIRMAN. We have to cut both of them.

Mr. STRATTON. I see.

The CHAIRMAN. Mr. Whitehurst.

Mr. WHITEHURST. Thank you, Mr. Chairman.

I guess that the thing that bothers me so much is that I have an awful lot of military retirees in my congressional district and I see these people very often. They tell me that they can't get the medical care that they once got. The dental care is not available to them now; there are not enough dentists. They recognize that the active duty people have to have priority. They see themselves squeezed all the way down the line. If we take this action, what we are doing is simply confirming something they already suspect, that cuts are going to come out of their hide first. I share Mrs. Holt's concern about this. I hate to see us hit these people this way.

Mr. TRIBLE. I agree with the statement of my colleague from Virginia. I think the human side of the military equation is every bit as

important as the weapons procurement side. In fact, our overriding problem today is the retention of quality people. This proposal is a real erosion of military pay and benefits. It will have a devastating impact on our readiness and national defense posture.

Mr. Chairman, for those reasons, I will oppose this at this time.

The CHAIRMAN. Mr. Hutto.

Mr. HUTTO. Thank you.

I think that all of us are concerned with the eroding of the benefits for our active duty military as well as our retired military and civil service people. It is my understanding that if this action is taken it would be only for fiscal 1981 without further action next year; is that correct? Would it be a permanent change, or would this be a one-time only change for fiscal 1981?

The CHAIRMAN. Mr. Ford.

Mr. FORD. The way it is drafted now it would be permanent, Mr. Hutto.

Mr. HUTTO. Thank you.

The CHAIRMAN. Mr. White.

Mr. WHITE. I wonder if I could ask counsel a few questions to get some clarification on the history of this matter, Mr. Chairman.

The CHAIRMAN. Yes.

Mr. WHITE. When were the semiannual increases instituted?

Mr. EMMERICHS. In 1976.

Mr. WHITE. 1976?

Mr. EMMERICHS. Yes.

Mr. WHITE. Before that it was 1 year.

Mr. EMMERICHS. There was a raise every time the Consumer Price Index went up 3 percent and stayed at 3 percent for 3 consecutive months.

Mr. WHILE. There was a change in 1976?

Mr. EMMERICHS. Yes.

Mr. WHITE. If a retiree gets two increases per year, does he get any more than the total increase in that 1 year? In other words, would the increases be larger—because of compounding—if they are made twice a year instead of one time a year?

Mr. EMMERICHS. He would get the same total increase over time. It would be deferred for 6 months. That would be the brunt of it.

Mr. WHITE. He would be losing his buying power for a period of 6 months.

Mr. EMMERICHS. Yes, sir.

Mr. WHITE. Thank you.

Mr. STRATTON. Will you yield?

Mr. WHITE. Yes.

Chairman PRICE. Mr. Stratton.

Mr. STRATTON. Actually, you are compounding, are you not? If the inflation rate is 10 percent, then, after the first 6 months, you give him 5 percent; after the end of the next 6-month period, you give him another 5 percent. You are compounding your interest. That is where the saving comes in. So, there is a greater amount of money paid out in terms of giving a cost-of-living factor to the Federal retirees, military and civilian, in comparison to giving the same cost-of-living increase to the social security recipients.

I can understand the problem of those members who represent large numbers of retirees, but we also have this with social security

recipients. They are also having trouble surviving. They are getting squeezed a little bit more. Isn't it a fact that when we went to the semi-annual plan, we eliminated for the Federal retirees the provision that provided that every time the cost of living went up 3 percent, we gave them 4 percent?

Mr. EMMERICHS. Yes.

Mr. STRATTON. This turned out to be a little excessive generosity. So, when we cut that back, we tried to make up for it by the twice-a-year rather than once-a-year cost-of-living increase.

Mr. WHITE. If this change is made on the Armed Services Committee as to the military retirees, this does not affect Federal retirees, does it, those who will be receiving this twice a year?

Mr. EMMERICHS. The proposal is that this would not be effective unless a similar change were made in the civil service system. It would be contingent on both changing.

Mr. WHITE. How do we know that we have a reconciliation if the other committee doesn't make that change? How do we know that?

Mr. EMMERICHS. The responsibility of the committee is to report a recommendation to the Budget Committee. That committee could not make a substantive change to that recommendation. If the other committees did not go along, this would never become effective.

Mr. WHITE. Thank you.

Mr. MITCHELL. Mr. Chairman.

The CHAIRMAN. Mr. Mitchell.

Mr. MITCHELL. Thank you, Mr. Chairman.

The CHAIRMAN. Before I recognize you, I hope that the committee understands that this is not an initiative taken by this committee. This is done at the direction of the House. We have to either propose this or something else. We put some thought and study into this. We think that this is the only feasible suggestion to make to the House.

Mr. STRATTON. Mr. Chairman, you and I voted against the reconciliation.

The CHAIRMAN. Mr. Stratton and I are on the opposite side on this issue, but we faced the facts of life.

I recognize Mr. Mitchell.

Mr. MITCHELL. I want to join my colleagues in opposing this amendment. The whole cry this year across the Nation has been that our armed services are inferior. The remedy was seen as spending more on the people to keep them interested in being in the military.

This morning's Washington Post has an article quoting Paul Trible indicating that three ships have sailed from Norfolk that are not properly manned. We have heard of shortages throughout the senior pay grades. Because of this, Chairman Nichols of our Military Compensation Subcommittee, and his colleagues, passed the Nunn-Warner amendment. They also passed the President's fair benefits package and some other provisions that really created a good impression. This demonstrated that we do care about people. We want to compensate them for serving in the armed services.

Ever since I have been on the Military Compensation Subcommittee, for 7 years, the biggest single problem has been the perception of the erosion of benefits, the breach of contract, of promising something that we later take away some place down the line. The reduction of one of these benefits adds fuel to the fire. It is an erosion of benefits. I don't care how we compute it. The argument can be made by the

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people in the service that, if we take away one benefit this year, next year we will take away another. It is contrary to what the recruiting officers throughout the country promised them.

Now, it also can be argued that we are increasing pay this year for the Active Duty people, the people serving in the military, and we are taking things away from the retiree, those that we can't use any more, those that have made their contributions and sacrifices. Once they are gone, we forget about them.

I don't know what the alternatives are, but I think we should avoid this measure at all cost. We will take away all of the good we have created by the President's fair benefits package. We are once again going to demonstrate that this Congress doesn't care about people, that we do erode benefits and we breach our contracts. I think it is a terrible idea, Mr. Chairman.

The CHAIRMAN. Mr. Nichols.

Mr. NICHOLS. Thank you, Mr. Chairman.

Mr. DAN DANIEL. Mr. Nichols, will you yield at this time, please?

Mr. NICHOLS. Yes

Mr. DAN DANIEL. Mr. Emmerichs, was the formula changed by law or regulation?

Mr. EMMERICHS. At what point, sir?

Mr. DAN DANIEL. When we went from one to two increases per year?

Mr. EMMERICHS. It was changed by law.

Mr. DAN DANIEL. Thank you.

Mr. NICHOLS. It seems to me that there is somewhat of a dilemma here. By mandate, we have got to come up with the money somewhere. It looks to me like the question is, are you going to bite the bullet now or follow some recommendations that came from over in the other body. I believe the Senate Government Affairs Committee has reported a proposition requiring that the September raise be deferred and added to the March 1981 raise. Then we would keep on providing semiannual raises. I can see some good points and some bad points in that proposal.

However, I do think that I should announce to the committee and to the chairman, and I am sure that the chairman knows this, that, late last night, the U.S. Senate passed that proposition. I am told that this did not even make the morning paper, but it is in the record on page S. 8957. So, I want to ask the chairman if the committee adopted such a proposition as that, would that not accomplish, for 1 year at least, our responsibilities in coming up with this money?

The CHAIRMAN. I will ask the staff to reply to that question.

Mr. NICHOLS. Yes.

The CHAIRMAN. Mr. Ford.

Mr. FORD. That would accomplish the requisite reductions, Mr. Nichols, yes. We still have to send a letter to the Budget Committee tomorrow indicating that we would be prepared to do that. That is to satisfy the deadline that the House has given to the committee.

Mr. NICHOLS. Thank you.

Mr. STRATTON. Will you yield?

Mr. NICHOLS. Yes.

The CHAIRMAN. Mr. Stratton.

Mr. STRATTON. I don't quite understand what it was that the Senate passed.

Mr. NICHOLS. It's my understanding that the Senate passed a proposal that came out of the Senate Government Affairs Committee some days ago which, in effect, would defer the September cost-of-living raise. But in 1981 it would go back to a semiannual procedure.

Maybe Mr. Emmerichs can explain that a little better. That is my understanding.

Mr. EMMERICHS. All that I have, Mr. Stratton, is a rumor that the Senate, last night, approved the reconciliation bill on the floor which contained a one-time deferral of the September 1980, CPI increase. Increases would thereafter be on a semiannual basis. That would save the required $400 million that the Budget Committee referred to.

Mr. STRATTON. On a 1-year basis?

Mr. EMMERICHS. For 1981.

Mr. STRATTON. We would be jazzing the retirees back and forth.

Mrs. HOLT. Mr. Chairman.

The CHAIRMAN. Mrs. Holt.

Mrs. HOLT. I would move that we amend our proposal to conform to that one adopted by the Senate. In other words, it would be a 1-year change. It would not be permanent, Mr. Chairman.

Mr. STRATTON. Could I comment on that motion?

The CHAIRMAN. Mr. Stratton.

Mr. STRATTON. I think that it ought to be pointed out that the recommendation that Chairman Price made is not only a statesman-like recommendation, but it also is one that recognizes the political realities. If the retirees that you and Mr. Mitchell and Mr. Whitehurst are concerned about find that their paychecks are not going to contain that increase in September, then they are going to be a little bit unhappy. But under the chairman's proposal, they are going to get their increase in September. The change will not take effect until the election has passed and, hopefully, the able gentlewoman from Maryland will be back on this committee and the Budget Committee. So, I think that we ought to be a little bit cautious in jumping on the Senate bandwagon at this time.

Mrs. HOLT. I resent your saying that we are doing this because of political reasons. I think that's ridiculous. We are doing this because of our concern for the people we represent. It has been pointed out here this morning that this is one more evidence of the erosion of benefits. It is one more evidence that we don't care about people. I don't think that you have to be a statesman to serve on this committee anyway, Mr. Chairman.

Mr. STRATTON. I don't think that any of us are above political interest. That's the way that we get here. That's how we stay here.

I really think that we ought to recognize what the realities are. I don't object to trying to protect the retirees, but the gentleman from New York, Mr. Mitchell, overlooked the fact that our immediate need is to get money to the Active Duty Forces. The retirees aren't going to fight in the Indian Ocean when things get really tough. We do need to get money to the active duty people. We need to bring in people. We've got to attract the people to the Active services.

I would remind the committee that one of the most courageous actions taken by a chairman of this committee in the past was taken by Mr. Hébert when he rejected the demand for recomputation by our retirees. He pointed out at the time that we ought to be spending

the money on attracting people into the Active service and keeping them in rather than spending it on the retirees.

Mrs. HOLT. Mr. Chairman, I think it is still my time.

Mr. STRATTON. Mr. Chairman, I thought that I was proceeding on my own time.

The CHAIRMAN. At this time I am unsure as to whose time it is. The gentlewoman is recognized.

Mrs. HOLT. Thank you, Mr. Chairman.

Mr. STRATTON. I was defending you, Mr. Chairman.

Mrs. HOLT. I wanted to make this point. One of the big complaints that we hear from the Active Duty Forces is that we have kicked the retirees around so much. They see their fathers and grandfathers, their mothers and grandmothers being kicked around. So, they don't want to stay in. That is all part of the same program.

Mr. STRATTON. If you will yield on your time?

Mrs. HOLT. Yes.

Mr. STRATTON. I might point out if we don't get the retirement thing straightened out we are not going to have any money to pay the active duty members by the time they get ready to retire.

The CHAIRMAN. Mr. Montgomery.

Mr. MONTGOMERY. Thank you.

Mr. Chairman, I am a little confused on the Nichols proposal. If that is what the Senate has done, maybe we could consider it. I would like to point out, Mr. Chairman, it is time to bite the bullet on reconciliation. We had to do it in the House Veterans' Affairs Committee. Take the case of the service-connected veteran, say, a father served and lost his leg and is in a wheelchair. We had to limit him under the reconciliation guidance to 13 percent as a cost-of-living increase.

What concerns me is if we don't adopt this reconciliation today, Mr. Chairman, you are paying the retired serviceman more than you are giving the veteran in a wheelchair. He is totally dependent on his one check. It is a tough issue. If the budget process is going to work, this is the time that you are going to have to face it. I don't want to face it, but I think we probably are going to have to take the recommendation of the chairman and do like we have done with the Veterans' Affairs Committee. It is a tough time and you also have to try to control inflation. We all talk about balancing the budget. We've got to do it now.

The CHAIRMAN. Mr. Kazen.

Mr. KAZEN. My understanding is, if we take this proposal, it will be for 1 year. What would keep this Congress from taking care of the situation in the budget next year? Frankly, I confess that I did not know that this provision was in the budget resolution. There were a lot of things in this resolution that we were not told about. I am not going to sit here and shortchange the people I represent, or try to cover up whatever the Budget Committee decided that they would do and the best way to do it. We are not going to lose anything if we go to this one-time deferral. Next year, we can again look at it. I am not going to say, as of right now, that we are going to change this thing permanently to once a year.

Mr. MITCHELL. Will you yield?

Mr. KAZEN. Yes.

Mr. MITCHELL. I'd like to respond to my friend and colleague from New York. I agree that there is an urgent need to beef up our military

compensation for the Active Duty Forces. They are active duty today and are retired in a few years. The handwriting is on the wall. If we are not going to keep our promises to the people that are retired, they can easily see that we are not going to keep other promises now being made at recruiting time.

As far as the 1-year-only provision, I think it is a sham. We extend provisions year after year. We pass them one year and then the next year we do the same thing. I much prefer an unbalanced budget rather than destroying the credibility of this committee. We should stick to our guns.

Mr. BRINKLEY. Will you yield?

Mr. MITCHELL. Yes.

The CHAIRMAN. Mr. Brinkley.

Mr. BRINKLEY. I am concerned about the Band-aid approach to this. It it a subterfuge? This Government Operations Committee of the Senate, it does not have the same perspective that we have on the Armed Services Committee, nor does it have the same perspective, I would think, as that of the Senate Armed Services Committee. So, I think that we ought to be careful before going along with that committee.

Thank you, Mr. Chairman.

The CHAIRMAN. Let us resolve this matter. All that we are doing at this time is complying with the instructions of the House to make a report to the Budget Committee on July 2, which is tomorrow.

The statement that I have made is a matter-of-fact statement concerning the process. It does not commit us except to indicate that we have tried to live within the budget. I don't know of a time when we have been over the budget. I don't see any possible problem that we would have in filing this report and complying with the budget rules.

Mr. BRINKLEY. I seek recognition.

The CHAIRMAN. Mr. Brinkley.

Mr. BRINKLEY. I understand what the Chair has said. I don't want to quarrel with your judgment. In the Government Operations Committee, they have the 1-year proposition as compared with the chairman's recommendation for a permanent change.

Mr. Chairman, I just wanted the record to reflect that it is true that there has been a serious erosion of some benefits that military retirees have been getting. For example, there are the medical services. Many of them went into the service thinking they would always have them as a matter of right. It isn't true. It is a matter of privilege. They are only provided on a space-available basis, in the applicable words of law. There are two sides to it. That is the reason that many of us are concerned.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Brinkley.

Are there any other comments?

[No response.]

The CHAIRMAN. If not, without objection, the Chair will submit the report.

Mrs. HOLT. Mr. Chairman.

The CHAIRMAN. Mrs. Holt.

Mrs. HOLT. Mr. Chairman, how about my motion? I move that we make it 1 year rather than the permanent change, Mr. Chairman.

The CHAIRMAN. My understanding is that it is for 1 year. We can put it more emphatically. It is an annual increase.

Mrs. HOLT. Mr. Chairman, I thought that your proposal was that this was a permanent change.

The CHAIRMAN. We can amend it and make it a one-time change, Mrs. Holt.

Mr. WHITEHURST. Can we get a voice vote?

Mr. STRATTON. I have a point of information. Are we talking about knocking it out in September, as Mrs. Holt suggests, or knocking it out in March, as you suggest?

Mr. FORD. You have to report to the Budget Committee a savings that would amount to $400 million. If you could do it by deferring the March increase, you want to do it that way. However, deferring the March increase will not result in sufficient reductions. Mrs. Holt's amendment would provide the $400 million savings if the September 1980 increase is deferred, but only on a 1-year basis rather than doing it on a permanent basis, as was originally proposed.

Mr. STRATTON. Is she suggesting that we do what the Senate did, or what Mr Nichols said that the Senate did? The Senate is going to take the money out in September

Mr NICHOLS. Yes.

Mrs. HOLT. That is what we will be doing, too, if we are to get the $400 million.

Mr. STRATTON. Then the suggestion is that we do it just for 1 year, but we don't start cutting it out until March.

Mrs. HOLT. You don't make the $400 million if you do that, Mr. Stratton.

My motion was in line with the Senate language; it would not be a permanent change. It would be a one-time deferral. It would take place in September in order to make the $400 million. If we defer the March increase, then we will not have complied with the budget requirement.

The CHAIRMAN. Without objection, the change in the language is agreed to.

At this time, the vote is on the motion.

Mr. KAZEN. The budget resolution would not go into effect until October 1. If you cut out September, you are cutting money in fiscal year 1980.

Mr. FORD. That's reconciliation.

Mr. EMMERICHS. The increase would occur in September, so there would be 1 month in fiscal year 1980 in which there would be savings, some $70 million. The $400 million has to be saved in fiscal year 1981. By deferring that raise until March, that $400 million could be achieved in fiscal year 1981.

Mr. WHITE. It is subjecct to the Federal employees doing the same thing.

Mr. FORD. That's part of the motion.

The CHAIRMAN. The question at this time is on Mrs. Holt's motion. Those in favor of this, vote aye. Those opposed, vote no. The ayes have it. The resolution is agreed to at this time.

Now Mr. White.

Mr. WHITE. Thank you, Mr. Chairman.

The CHAIRMAN. You may proceed.

REPORT OF HON. RICHARD C. WHITE, A REPRESENTATIVE FROM TEXAS, CHAIRMAN, MILITARY PERSONNEL SUBCOMMITTEE

Mr. WHITE. Mr. Chairman, on behalf of the Military Personnel Subcommittee, I would like to report three bills and ask for their approval by the committee.

H.R. 7682

We have H.R. 7682, which is to amend title 10, United States Code, to provide greater flexibility for the Armed Forces in ordering Reserves to active duty, and for other purposes.

Also, H.R. 7682, which is a clean bill reported by the subcommittee consolidating four separate bills intended to improve the Reserves' mobilization capability.

Section 1(a) would repeal the requirement in title 10, that the Director of Selective Service make a determination that a member of the Standby Reserve is available for duty before the member may be involuntarily ordered to active duty in time of war or national emergency.

The Standby Reserve consists of those members of the Reserve who are not in the Ready Reserve or Retired Reserve, yet are liable for active duty in time of war or national emergency. Currently, no member of the Standby Reserve can be ordered to active duty until all qualified Reserves in an active duty status or in the Inactive National Guard have been mobilized and the Director of Selective Service has determined the member of the Standby Reserve is available for active duty.

This amendment simply eliminates the requirement for the Director of Selective Service to screen Standby Reservists since the screening process can be more easily and effectively accomplished by the Department of Defense.

Section 1(b) clarifies the existing law concerning the amount of time a Ready Reservist is allowed between the time ordered to active duty and the time the reservist actually enters on active duty.

Presently the law permits a reservist a 30-day delay unless the Secretary makes a formal determination following commencement of mobilization that the time should be less. In view of the prominence reservists play in our mobilization plans, this change is needed to clarify in advance of a mobilization the Secretary's authority to mobilize reservists without delay.

Section 2 amends section 673(b) of title 10, United States Code, to increase from 50,000 to 100,000 the number of Selected Reservists the President may order to active duty for a period up to 90 days without declaration of national emergency.

The original authority to call to active duty 50,000 Selected Reservists was passed in the 94th Congress, Public Law 94–286. It was intended to enhance the role of the Reserves in our national defense program by insuring their availability promptly in times of international tension.

The recent mobilization exercise Nifty Nugget has underscored the importance of reservists to our mobilization posture. In fact, that exercise showed that more than 50,000 reservists would be needed

early in a developing crisis to augment the Active Force. Further, recent planning for the rapid deployment joint task force indicates that situations could arise when more than 50,000 reservists should be activated to support the task force. It is for these reasons that the additional authority is being sought.

The fact that the administration has requested this legislation is graphic evidence of the critical role reservists now play in our defense posture, a fact this committee has understood for a long time.

Section 3 of the bill amends section 6(d) of the Military Selective Service Act to repeal the requirement that a reserve officer ordered to active duty for training must serve for not less than 3 months.

There are a number of courses for officers, such as those for chaplain and the Medical Service Corps, that are less than 3 months in duration. It is inefficient and unnecessary to require these officers to remain on active duty for the remainder of the 3 month period in order to fulfill this requirement.

Mr. Chairman, all four provisions of H.R. 7682 are administration proposals. No increase in the budgetary requirement of the Department of Defense will result from enactment of H.R. 7682.

I move approval of H.R. 7682, Mr. Chairman.

[H.R. 7682 is as follows:]

96TH CONGRESS
2D SESSION

H. R. 7682

To amend title 10, United States Code, to provide greater flexibility for the Armed Forces in ordering Reserves to active duty, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 1980

Mr. WHITE (for himself, Mrs. HOLT, Mr. MONTGOMERY, Mr. HILLIS, Mr. KAZEN, Mr. HOPKINS, Mr. WON PAT, Mr. NEDZI, and Mr. NICHOLAS) introduced the following bill; which was referred to the Committee on Armed Services

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A BILL

To amend title 10, United States Code, to provide greater flexibility for the Armed Forces in ordering Reserves to active duty, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second sentence of subsection (a) of section 672 of title 10, United States Code, is amended to read as follows: "However, a member on an inactive status list or in a retired status may not be ordered to active duty under this subsection unless the Secretary concerned, with the approval

of the Secretary of Defense in the case of the Secretary of a military department, determines that there are not enough qualified Reserves in an active status or in the inactive National Guard in the required category who are readily available.".

(b) Subsection (e) of such section is amended to read as follows:

"(e) The period of time allowed between the date when a Reserve ordered to active duty (other than for training) is alerted for that duty and the date when the Reserve is required to enter upon that duty shall be determined by the Secretary concerned based upon military requirements at that time.".

SEC. 2. Section 673b(c) of title 10, United States Code, is amended by striking out "50,000" and inserting in lieu thereof "100,000".

SEC. 3. (a) Section 6(d)(1) of the Military Selective Service Act (50 U.S.C. App. 456(d)(1)) is amended by striking out "less than three months or" in the fifth sentence.

(b) The amendment made by subsection (a) shall apply only to persons ordered to active duty for training after the effective date of this Act.

The CHAIRMAN. Those in favor say aye. Those opposed say no. It is approved.

H.R. 7694

Mr. WHITE. I will now bring up H.R. 7694, which is to provide civilian career employees of the Department of Defense who are residents of Guam, the Virgin Islands, or the Commonwealth of Puerto Rico the same relative rotation rights as apply to other career employees; to authorize the delegates in Congress from Guam and the Virgin Islands to have two appointments at a time, rather than one appointment, to each of the service academies; and to authorize the establishment of a National Guard of Guam.

Mr. Chairman, the subcommittee has also reported H.R. 7694, a clean bill consolidating three bills introduced by our colleague, Mr. Won Pat, from Guam.

Section 1 of the bill provides career civilian employees of the Department of Defense who are residents of Guam, Puerto Rico, or the Virgin Islands, the right to return to positions in these locations after serving the Government outside these areas. The right of return is now extended only to residents of the 50 States who serve overseas.

Section 2 amends title 10 to increase from one to two the number of nominations the delegate from Guam and the delegate from the Virgin Islands may make to each of the service academies.

At present, each of these territories may only have one individual in each academy at a time as compared to five for each Congressman.

Section 3 of the bill amends section 101 of title 32, United States Code, to authorize the establishment of a National Guard unit in Guam.

At present, other U.S. territories, such as the Virgin Islands and the Commonwealth of Puerto Rico, have National Guard units but Guam does not. This provision would authorize the establishment of a National Guard unit in Guam. However, the exact character of any unit established would depend on existing military plans and requirements. If a National Guard unit were established in Guam, it could also be of great assistance to the island during any future natural disasters or emergencies.

Now, Mr. Chairman, the administration has taken no position on section 1 of the bill, supports section 2 to increase the number of Academy nominations, and, while supportive of the intent behind creating a National Guard unit on Guam, has recommended deferring action on section 3 until the exact nature of the unit and its cost is determined. Since Mr. Won Pat introduced the legislation in June of last year and had introduced identical legislation during the first session of the 95th Congress, the Department's request to defer action pending further study rang a bit hollow.

[H.R. 7694 is as follows:]

96TH CONGRESS
2D SESSION

H. R. 7694

To provide civilian career employees of the Department of Defense who are residents of Guam, the Virgin Islands, or the Commonwealth of Puerto Rico the same relative rotation rights as apply to other career employees, to authorize the Delegates in Congress from Guam and the Virgin Islands to have two appointments at a time, rather than one appointment, to each of the service academies, and to authorize the establishment of a National Guard of Guam.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 1980

Mr. WON PAT (for himself, Mr. EVANS of the Virgin Islands, Mr. WHITE, Mrs. HOLT, Mr. MONTGOMERY, and Mr. KAZEN) introduced the following bill; which was referred jointly to the Committees on Armed Services and Post Office and Civil Service

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A BILL

To provide civilian career employees of the Department of Defense who are residents of Guam, the Virgin Islands, or the Commonwealth of Puerto Rico the same relative rotation rights as apply to other career employees, to authorize the Delegates in Congress from Guam and the Virgin Islands to have two appointments at a time, rather than one appointment, to each of the service academies, and to authorize the establishment of a National Guard of Guam.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1586 of title 10, United States Code, relating to the rotation of civilian employees of the Department of Defense assigned to duty outside the United States, is amended by redesignating subsection (g) and subsection (h) and by inserting after subsection (f) the following new subsection (g):

"(g)(1) The provisions of this section shall be applied with respect to civilian employees of the Department of Defense who are residents of Guam at the time of their employment by the Department of Defense as if (A) the term 'in the United States' reads 'in Guam' each place it appears, (B) the term 'within the United States' reads 'within Guam' each place it appears, and (C) the term 'outside the United States' reads 'outside Guam' each place it appears.

"(2) The provisions of this section shall be applied with respect to civilian employees of the Department of Defense who are residents of the Virgin Islands at the time of their employment by the Department of Defense as if (A) the term 'in the United States' reads 'in the Virgin Islands' each place it appears, (B) the term 'within the United States' reads 'within the Virgin Islands' each place it appears, and (C) the term 'outside the United States' reads 'outside the Virgin Islands' each place it appears.

"(3) The provisions of this section shall be applied with respect to civilian employees of the Department of Defense who are residents of the Commonwealth of Puerto Rico at the time of their employment by the Department of Defense as if (A) the term 'in the United States' reads 'in the Commonwealth of Puerto Rico' each place it appears, (B) the term 'within the United States' reads 'within the Commonwealth of Puerto Rico' each place it appears, and (C) the term 'outside the United States' reads 'outside the Commonwealth of Puerto Rico' each place it appears.".

SEC. 2. (a) Section 4342(a) of title 10, United States Code, relating to the number of cadets at the United States Military Academy, is amended by striking out "One cadet" in clauses (6) and (9) and inserting in lieu thereof "Two cadets".

(b) Section 6954(a) of such title, relating to the number of midshipmen at the United States Naval Academy, is amended by striking out "One" in clauses (6) and (9) and inserting in lieu thereof "Two".

(c) Section 9342(a) of such title, relating to the number of cadets at the United States Air Force Academy, is amended by striking out "One cadet" in clauses (6) and (9) and inserting in lieu thereof "Two cadets".

(d) The amendments made by this section shall be effective beginning with the nominations for appointment to the

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service academies for academic years beginning more than one year after the date of enactment of this Act.

SEC. 3. (a) Section 101(1) of title 32, United States Code, is amended by inserting "Guam and" before "the Virgin Islands".

(b) Clauses (7) and (9) of section 101 of title 37, United States Code, are each amended by inserting "Guam" after "Puerto Rico".

Mr. WON PAT. I move its adoption.

The CHAIRMAN. Is this a separate report?

Mr. WON PAT. No. I am supporting the statement of the chairman of the Military Personnel Subcommittee. I also fully support the bill. The three bills I originally introduced were consolidated into one bill. There is only one bill, the creation of a National Guard unit at Guam which the administration had hesitated to give its full support to for the reason that they don't know how much this would cost. The reason we need this at Guam is that the military activities at Guam are gradually being diminished. The Navy announced relocation of squadron 3, the Polaris and some of their other activities. If Guam is to become self-sufficient and independent of the military, it must have the necessary resources and the other means to develop into a viable economy. For that reason, I fully support this legislation.

Thank you, Mr. Chairman.

Mr. WHITE. I move approval of H.R. 7694.

The CHAIRMAN. Any further discussion?

[No response.]

The CHAIRMAN. Is there any objection to the approval of this?

[No response.]

The CHAIRMAN. The bill is agreed to.

Mr. WHITE. Mr. Chairman, I have one more.

The CHAIRMAN. Mr. White.

H.R. 5856

Mr. WHITE. H.R. 5856 to amend title 32, United States Code, to allow Federal recognition as officers of the National Guard members of the National Guard of the Virgin Islands in grades above the grade of colonel.

Mr. Chairman, the third bill the subcommittee has favorably reported is H.R. 5856 introduced by our colleague, Dr. Evans. H.R. 5856 would repeal section 307(g) of title 32, United States Code, in order to allow general officers of the National Guard of the Virgin Islands to receive Federal recognition as officers of the National Guard.

At present, section 307(g) specifically prohibits extending Federal recognition to members of the National Guard of the Virgin Islands in any grade above colonel. This provision was insisted upon by the Senate when the enabling legislation for the Virgin Islands National Guard was considered in 1972 based on a concern that the size of the unit would not justify a general officer in command. Since 1972, however, the Virgin Islands National Guard program has almost tripled in size.

Dr. Evans and the National Guard Association have urged the repeal of this provision as an effort to strengthen the National Guard program in the Virgin Islands. An administration witness also testified in support of H.R. 5856.

Mr. Chairman, this completes the subcommittee report.

I urge favorable action on H.R. 5856.

[H.R. 5856 is as follows:]

96TH CONGRESS
1ST SESSION

H. R. 5856

To amend title 32, United States Code, to allow Federal recognition as officers of the National Guard of members of the National Guard of the Virgin Islands in grades above the grade of colonel.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1979

Mr. EVANS of the Virgin Islands introduced the following bill; which was referred to the Committee on Armed Services

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A BILL

To amend title 32, United States Code, to allow Federal recognition as officers of the National Guard of members of the National Guard of the Virgin Islands in grades above the grade of colonel.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (g) of section 307 of title 32, United States Code, is repealed.

The CHAIRMAN. Is there any objection?

[No response.]

The CHAIRMAN. The Chair hears no objection.

The bill is agreed to.

Mr. WHITE. Thank you.

The CHAIRMAN. At this time are there any other proposals from any member?

[No response.]

The CHAIRMAN. If not, the business of the morning is finished. The committee will stand adjourned at this time. Thank you.

[Whereupon, at 11:50 a.m., the full committee adjourned, to reconvene at the call of the Chair.]

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